

SECTION IV -- SUMMARY OF PLAN PROVISIONS

I. CustomCare Subsidiaries

A. Basic Plan Information

- | | | |
|-----|---------------|-------------------------------|
| (1) | Plan Name: | CustomCare Medical Plan |
| (2) | Plan Sponsor: | Southwestern Bell Corporation |
| (3) | Plan Year: | January 1 through December 31 |

B. Eligibility

Regular active employees and retired employees of Southwestern Bell Corporation and Participating Subsidiaries; spouses and other dependents are eligible for company paid coverage only while the retiree is living

C. Requirements for Benefits

Service or disability retirement from the Southwestern Bell Corporation Management Pension Plan or the Southwestern Bell Corporation Pension Plan

D. Benefits Defined

There are two separate benefit classes under the Plan:

- Outside Network Area
- Network Area

OUTSIDE NETWORK AREA BENEFITS

- | | | |
|---------------------------|---|--|
| (1) | Base Coverage: (Not subject to deductible unless noted) | <ul style="list-style-type: none"> ■ 100% of hospital charges for 120 days after \$30 copayment/admission ■ 95% of surgeon charges ■ 90% of physician in-hospital visits ■ 100% of diagnostic laboratory and x-ray services ■ 100% of alternate care in lieu of hospitalization |
| (2) Supplemental Coverage | | |
| ■ | Deductible | Per calendar year: \$170 per individual; \$340 per two-person; \$510 per family; \$50 per individual for retail drug purchases |
| ■ | Maximum Out-of-Pocket | Per calendar year: \$1,170 per individual; \$2,340 per two-person; \$3,510 per family |
| ■ | Coinsurance/ Copayment | 80% reimbursement for most other covered expenses; for mail order drug program, \$12 copay per prescription for brand name drugs and \$5 copay per prescription for generic drugs |

- **Lifetime Maximum** Unlimited for active employees; \$50,000 for Supplemental Benefits for retirees, excluding the first \$3,500 in each calendar year. However, retirees approaching the lifetime maximum can utilize network area benefits.

- **Other** Deductibles, copayments, and out-of-pocket maximums are subject to adjustment each year starting in 1994 to reflect changes in the CPI-medical

NETWORK AREA BENEFITS

	<u>Network Benefits</u>	<u>Non-Network Benefits</u>
	All services and suppliers must be arranged by a Primary Care Physician	All covered expenses are subject to an annual deductible
Deductible	\$50 per individual for retail drug purchases	Per calendar year: \$375 per individual; \$750 per two-person; \$1,125 per family; \$50 per individual for retail drug purchases
Maximum Out-of-Pocket	None	Per calendar year: \$2,375 per individual; \$3,750 per two-person; \$5,125 per family
Coinsurance/Copayment		
■ Hospital Charges	100% after \$30 copayment/admission	After \$30 copayment/admission, lesser of 80% of billed charges (subject to reasonable and customary) or 100% of the average network negotiated fee
■ Surgical Charges	100%	See hospital charges coinsurance
■ Physician's In-Hospital Visits	100%	See hospital charges coinsurance

■ Physician Home or Office Visits	100% after \$15 copayment/visit	See hospital charges coinsurance
■ Diagnostic Laboratory and X-ray Services	100%	See hospital charges coinsurance
■ Alternate Care	100%	See hospital charges coinsurance (with some limitations); 0% hospice care
■ Prescription Drugs		
(i) Retail purchases	80% coinsurance	80% coinsurance
(ii) Mail order	\$12 copay per prescription for brand name drugs; \$5 copay per prescription for generic drugs	\$12 copay per prescription for brand name drugs; \$5 copay per prescription for generic drugs
Lifetime Maximum	Unlimited for active and retired employees	Unlimited for active employees; \$500,000 for retirees. However, retirees approaching the lifetime maximum may utilize network area benefits.
Other	Deductibles, copays and out-of-pocket maximums are subject to adjustment each year starting in 1994 to reflect changes in the CPI-medical	Deductibles, copays and out-of-pocket maximums are subject to adjustment each year starting in 1994 to reflect changes in the CPI-medical

- E. Coordination of Benefits Medicare carve-out basis for all benefit classes
- F. Retiree Contributions
- (1) For retirements occurring before September 1, 1992 (November 1, 1992 for Yellow Pages and Telecommunications) The entire cost of the plan is paid by Southwestern Bell Corporation with the exception of contributions paid by employees for sponsored dependents and certain Class II dependents.
 - (2) For all other retirements Annual SBC contribution per retiree limited, starting in 1993, to lesser of \$5,500 or the average benefit cost (before AT&T reimbursements and including Medicare Part B and administrative expenses) determined with respect to the entire retiree/dependent population.
- G. AT&T Cost Sharing
- AT&T reimburses Southwestern Bell Corporation for certain claims incurred by pre-divestiture retirees under the Unfunded Benefits Cost Sharing Agreement and the 1983 Force Adjustment Cost Reimbursement and Indemnification Agreement.
- Most employees retired prior to 1984 are covered by the Cost Sharing Agreement, which currently reimburses somewhat less than 16% of paid claims. A smaller group

is covered under the 1983 Force Adjustment Agreement, for which the reimbursement is 100%. A final group is not reimbursed at all.

Reimbursements for the three years 1990 through 1992 have averaged 22% of paid claims. Reimbursements will continue for the lifetime of the affected retirees.

H. Medicare Part B
Reimbursement

For each Medicare-eligible individual (excluding, however, Class I dependents of employees of Yellow Pages who retire on or after January 1, 1993), equal to lesser of monthly Medicare Part B premium or \$40 (\$50 for Yellow Pages).

SECTION V -- SUMMARY OF PARTICIPANT AND CLAIMS DATA

Participant Data

Southwestern Bell Corporation presently provides postretirement health care benefits for employees of the following corporate entities:

<u>Provided</u>	<u>Not Provided</u>
SBC Administrative Services, Inc.	BMVS, Inc.
SBC Asset Management, Inc.	Golf Club of Oklahoma
Associated Directory Services, Inc.	SB Messaging Services, Inc.
SB Audit Services, Inc.	Metromedia Paging Services, Inc.
SBC Corporate Services, Inc.	Summit Telemarketing, Inc.
SB Interactive Technologies, Inc.	Worldwide Directory Product Sales, Inc.
SB International Holdings Corp.	
SBC Management Services, Inc.	
Mast International, Ltd.	
SB Mobile Systems, Inc.	
SB Personnel Services, Inc.	
SB Printing Company	
SB Technology Resources, Inc.	
SB Telecommunications, Inc.	
SB Telephone Company	
Times Journal Publishing Company	
SB Washington, Inc.	
SB Yellow Pages, Inc.	

Data for active and retired employees as of January 1, 1993 was supplied on computer tape.

The total covered employees derived from this tape was as follows:

	<u>Covered</u>	<u>Not Covered</u>	<u>Total</u>
Actives	57,077	1,487	58,564
Retirees	<u>31,532</u>	<u>571</u>	<u>32,103</u>
Total	88,609	2,058	90,667

Active covered employees include individuals who currently do not maintain active coverage but are employed by a corporate entity that provides postretirement coverage. Active employees not covered are individuals employed by a corporate entity that does not provide postretirement health benefits.

The following participant summaries appear at the end of this section:

- Table G: Active participant age/service distribution
 Table H: Retired participant age distribution
 Table I: Participants by requested corporate groupings

Claims Data

1992 retiree benefit information was provided by Southwestern Bell Corporation through the annual financial statement disclosure and supplemental reports. The following table summarizes the 1992 postretirement health care benefits reported as well as the adjusted amounts used for purposes of the study:

	<u>Reported</u>	<u>Adjusted Amount</u>
1. Claims	\$87,863,057	\$87,863,057
2. Surviving Spouse Premiums included in (1)	(2,634,118)	(2,634,118)
3. AT&T Reimbursement	(11,093,167)	(10,780,000)
4. HMO Premiums (Employer Cost)	2,657,347	2,665,853
5. Medicare Part B Premiums	9,801,762	9,801,762
6. Prescription Drugs	<u>17,456,630</u>	<u>17,018,820</u>
7. Total 1992 Benefits	\$104,051,511	\$103,935,374

The paid claims in Item (1) include administrative expenses of \$10,827,390.

The reported AT&T reimbursement is for claims paid in 1991 and prior years to pre-divestiture retirees. AT&T reimbursements for the period 1989 through 1991 were as follows:

<u>Year Claims Paid</u>	<u>Total Claims Paid</u>	<u>Attributed Reimbursement</u>
1989	\$44,180,782	\$ 9,706,526
1990	45,265,551	10,348,932
1991	48,998,482	10,341,589

The adjusted 1992 AT&T reimbursement represents the estimated reimbursement for claims paid in 1992 based on experience for the period 1989 through 1991, determined as follows:

1.	Total Claims Paid, 1989 - 1991:	\$138,444,815
2.	Total Reimbursements, 1989 - 1991 (after constant factor change):	\$ 30,397,047
3.	Reimbursement Percentage: (2) ÷ (1) =	22%
4.	Estimated Total 1992 Claims Paid	\$ 49,000,000
5.	Estimated 1992 Reimbursement: (3) × (4)	\$ 10,780,000

Table G1

SBC POSTRETIREMENT HEALTH BENEFITS VALUATION
Active Total Participant Summary
January 1, 1993

<u>Age/ Service</u>	<u>0-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>Total</u>
<20	31	0	0	0	0	0	0	31
20-24	1,166	15	0	0	0	0	0	1,181
25-29	1,871	600	126	0	0	0	0	2,597
30-34	1,357	1,169	4,941	101	0	0	0	7,568
35-39	980	690	4,957	5,072	380	0	0	12,079
40-44	742	408	2,669	5,086	6,516	444	0	15,865
45-49	414	233	1,198	1,911	4,149	2,696	126	10,727
50-54	163	119	484	495	923	1,336	825	4,345
55-59	72	66	231	194	325	259	782	1,929
60-64	30	15	64	103	101	61	303	677
65+	<u>5</u>	<u>5</u>	<u>15</u>	<u>11</u>	<u>7</u>	<u>3</u>	<u>32</u>	<u>78</u>
Total	6,831	3,320	14,685	12,973	12,401	4,799	2,068	57,077

Average age: 41.0 years

Average service: 16.2 years

Average annual salary: \$36,020

Table G2

SBC POSTRETIREMENT HEALTH BENEFITS VALUATION
Active Management Participant Summary
January 1, 1993

<u>Age/ Service</u>	<u>0-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>Total</u>
<20	10	0	0	0	0	0	0	10
20-24	554	7	0	0	0	0	0	561
25-29	1,122	269	18	0	0	0	0	1,409
30-34	723	627	720	28	0	0	0	2,098
35-39	429	359	1,378	1,256	99	0	0	3,521
40-44	291	201	696	1,535	2,082	153	0	4,958
45-49	182	95	374	605	1,282	873	25	3,436
50-54	77	52	128	98	169	287	179	990
55-59	22	22	29	23	20	18	91	225
60-64	11	3	9	5	4	2	20	54
65+	<u>3</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>3</u>	<u>12</u>
Total	3,424	1,637	3,354	3,551	3,657	1,333	318	17,274

Average age: 39.7 years

Average service: 14.4 years

Average annual salary: \$49,017

Table G3

SBC POSTRETIREMENT HEALTH BENEFITS VALUATION
Active Nonmanagement Participant Summary
January 1, 1993

<u>Age/ Service</u>	<u>0-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30+</u>	<u>Total</u>
<20	21	0	0	0	0	0	0	21
20-24	612	8	0	0	0	0	0	620
25-29	749	331	108	0	0	0	0	1,188
30-34	634	542	4,221	73	0	0	0	5,470
35-39	551	331	3,579	3,816	281	0	0	8,558
40-44	451	207	1,973	3,551	4,434	291	0	10,907
45-49	232	138	824	1,306	2,867	1,823	101	7,291
50-54	86	67	356	397	754	1,049	646	3,355
55-59	50	44	202	171	305	241	691	1,704
60-64	19	12	55	98	97	59	283	623
65+	<u>2</u>	<u>3</u>	<u>13</u>	<u>10</u>	<u>6</u>	<u>3</u>	<u>29</u>	<u>66</u>
Total	3,407	1,683	11,331	9,422	8,744	3,466	1,750	39,803

Average age: 41.5 years

Average service: 17.0 years

Average annual salary: \$30,380

Table H1

SBC POSTRETIREMENT HEALTH BENEFITS VALUATION
Retired Total Participant Summary
January 1, 1993

<u>Age</u>	<u>Retired Before 1984</u>	<u>Retired After 1984</u>	<u>Total</u>
<45	0	216	216
45-49	10	1,320	1,330
50-54	22	2,349	2,371
55-59	223	3,204	3,427
60-64	<u>1,739</u>	<u>4,392</u>	<u>6,131</u>
Total <65	1,994	11,481	13,475
65-69	3,671	3,703	7,374
70-74	3,519	1,012	4,531
75-79	2,173	31	2,204
80-84	1,902	0	1,902
85-89	1,478	0	1,478
90+	<u>568</u>	<u>0</u>	<u>568</u>
Total >65	13,311	4,746	18,057
Total All	15,305	16,227	31,532
Average age under 65:	57.8 years		
Average age over 65:	73.7 years		
Average age total:	66.9 years		

Table H2

SBC POSTRETIREMENT HEALTH BENEFITS VALUATION
Retired Management Participant Summary
January 1, 1993

<u>Age</u>	<u>Retired Before 1984</u>	<u>Retired After 1984</u>	<u>Total</u>
<45	0	110	110
45-49	0	1,100	1,100
50-54	5	1,659	1,664
55-59	33	1,545	1,578
60-64	<u>436</u>	<u>1,618</u>	<u>2,054</u>
Total <65	474	6,032	6,506
65-69	907	1,204	2,111
70-74	895	322	1,217
75-79	608	15	623
80-84	570	0	570
85-89	447	0	447
90+	<u>151</u>	<u>0</u>	<u>151</u>
Total >65	3,578	1,541	5,119
Total All	4,052	7,573	11,625
Average age under 65:	55.8 years		
Average age over 65:	73.8 years		
Average age total:	63.7 years		

Table H3

SBC POSTRETIREMENT HEALTH BENEFITS VALUATION
Retired Nonmanagement Participant Summary
January 1, 1993

<u>Age</u>	<u>Retired Before 1984</u>	<u>Retired After 1984</u>	<u>Total</u>
<45	0	106	106
45-49	10	220	230
50-54	17	690	707
55-59	190	1,659	1,849
60-64	<u>1,303</u>	<u>2,774</u>	<u>4,077</u>
Total<65	1,520	5,449	6,969
65-69	2,764	2,499	5,263
70-74	2,624	690	3,314
75-79	1,565	16	1,581
80-84	1,332	0	1,332
85-89	1,031	0	1,031
90+	<u>417</u>	<u>0</u>	<u>417</u>
Total>65	9,733	3,205	12,938
Total All	11,253	8,654	19,907
Average age under 65:	59.6 years		
Average age over 65:	73.6 years		
Average age total:	68.7 years		

Table I

SBC POSTRETIREMENT HEALTH BENEFITS VALUATION
Participants By Corporate Entity
January 1, 1993

	<u>Active</u>	<u>Retired</u>	<u>Total</u>
SBC Asset Management, Inc.	61	7	68
Associated Directory Services, Inc.	355	16	371
SB International Holdings, Inc. / Mast International, Ltd.	55	1	56
SBC Management Services, Inc. and Subsidiaries*	760	61	821
SB Mobile Systems, Inc.	2,438	3	2,441
SB Printing Company**	30	8	38
SB Technology Resources, Inc. / SB Interactive Technologies, Inc.	198	1	199
SB Telecommunications, Inc.	851	28	879
SB Telephone Company	49,892	31,147	81,039
Times Journal Publishing Company	147	3	150
SB Yellow Pages, Inc.	<u>2,290</u>	<u>257</u>	<u>2,547</u>
Total	57,077	31,532	88,609

* SBC Administrative Services, Inc.
 SB Audit Services, Inc.
 SBC Corporate Services, Inc.
 SBC Personnel Services, Inc.
 SBC – Washington, Inc.

**as of 1/31/93

SECTION VI -- SUMMARY OF ACTUARIAL METHOD

Projected Unit Credit Actuarial Cost Method (Service Prorate)

Expected benefits payable in the event of retirement based on the applicable actuarial assumptions are determined for all active and retired participants. The actuarial present value of these expected benefits constitutes the expected postretirement benefit obligation.

The projected benefits are allocated proportionately to each active participant's years of service through the earliest eligibility for full benefits. The service cost is equal to the actuarial present value of the benefits allocated to the current year; the accumulated postretirement benefit obligation is equal to the actuarial present value of the benefits allocated to all prior years.

The accumulated postretirement benefit obligation for participants currently receiving benefits and for active participants currently eligible for full benefits is the actuarial present value of the benefits expected to be paid. No service costs are calculated for these participants.

SECTION VII -- SUMMARY OF ACTUARIAL ASSUMPTIONS

(1)	Discount Rate	7.5% per year, compounded annually
(2)	Long-Term Asset Return Rate	8.0% per year, compounded annually
(3)	Annual Increase in Health Claims	Graded; see Exhibit A
(4)	Medicare Trend Rate	Same as annual increase in health claims
(5)	Medicare Part B Premium Trend Rate	See Exhibit A
(6)	Mortality	
	(a) Active Employees	Rates from 1991 6-year experience study; see Exhibit B
	(b) Retired Employees/Spouses	Rates from 1991 6-year experience study; see Exhibit B
(7)	Retirement	Rates from 1991 6-year experience study; see Exhibit C
(8)	Separation from Service	Rates from 1991 6-year experience study; see Exhibit D
(9)	Disablement	None
(10)	Salary Increase	Management rates from 1991 5-year experience study; same rates used for nonmanagement employees; see Exhibit E

- | | | | | | | | |
|-----------------------------------|---|-------------|--|-------------|--|--------------|--|
| (11) Marital Status | See Exhibit F | | | | | | |
| (12) Future Retiree Participation | 100% | | | | | | |
| (13) New Entrants | For purposes of the forecast, new entrants were added to maintain a stable population. Average hire age is 31. Average salary at hire increases 5% | | | | | | |
| (14) Administrative Expenses | <p>1993 costs per person are as follows:</p> <p>ADS/Mobile Systems - \$85.20 per retiree plus 4.81% of paid claims</p> <p>Other Subsidiaries - \$276.96 per retiree</p> <p>These costs are assumed to increase 5% per year, compounded annually</p> | | | | | | |
| (15) AT&T Reimbursements | 22.0% of claims paid for retirees and dependents retired prior to 1984 | | | | | | |
| (16) Other | <p>For forecast purposes, projected assets reflect the following contributions to VEBA trusts maintained for nonmanagement employees of the Telephone Company and Yellow Pages:</p> <table border="0" style="margin-left: 40px;"> <tr> <td style="text-align: center;"><u>Year</u></td> <td></td> </tr> <tr> <td>1993 - 1995</td> <td>Annual contribution of \$150 million for Telephone Company; \$2 million for Yellow Pages; assumed payment date of March 31</td> </tr> <tr> <td>1996 & later</td> <td>Annual contribution equal to paid claims</td> </tr> </table> | <u>Year</u> | | 1993 - 1995 | Annual contribution of \$150 million for Telephone Company; \$2 million for Yellow Pages; assumed payment date of March 31 | 1996 & later | Annual contribution equal to paid claims |
| <u>Year</u> | | | | | | | |
| 1993 - 1995 | Annual contribution of \$150 million for Telephone Company; \$2 million for Yellow Pages; assumed payment date of March 31 | | | | | | |
| 1996 & later | Annual contribution equal to paid claims | | | | | | |

EXHIBIT A
1993 RETIREE ANNUAL CLAIM COSTS
(before AT&T reimbursement)

<u>Age</u>	<u>ADS</u>	<u>Mobile Systems</u>	<u>Other Subsidiaries</u>	<u>Medicare Part B Premium</u>
40-44	\$2,316	\$2,139	\$1,990	-
45-49	2,594	2,417	2,248	-
50-54	2,978	2,801	2,606	-
55-59	3,557	3,380	3,144	-
60-64	4,262	4,085	3,800	-
65-69	1,159	982	1,047	\$439.20
70-74	1,277	1,100	1,173	439.20
75-79	1,410	1,233	1,315	439.20
80-84	1,530	1,353	1,442	439.20
85+	1,577	1,400	1,493	439.20

ANNUAL INCREASE IN HEALTH CLAIMS

<u>Year</u>	<u>Pre-Age 65 Claims</u>	<u>Post-Age 65 Claims</u>	<u>Medicare Part B Premium</u>
1993	12.0%	11.0%	12.3%*
1994	11.5	10.5	12.3 *
1995	11.0	10.0	10.0
1996	10.5	10.5	10.5
1997	10.0	10.0	10.0
1998	9.5	9.5	9.5
1999	9.0	9.0	9.0
2000	8.5	8.5	8.5
2001	8.0	8.0	8.0
2002	7.5	7.5	7.5
2003	7.0	7.0	7.0
2004	6.5	6.5	6.5
2005+	6.0	6.0	6.0

* Legislated increase.

EXHIBIT B1
ANNUAL RATES OF MORTALITY
ACTIVE MANAGEMENT EMPLOYEES

<u>Age</u>	<u>Rates of Mortality</u>		<u>Age</u>	<u>Rates of Mortality</u>	
	<u>Male</u>	<u>Female</u>		<u>Male</u>	<u>Female</u>
15	.0003	.0003	45	.0017	.0011
16	.0003	.0003	46	.0018	.0012
17	.0003	.0003	47	.0019	.0013
18	.0003	.0003	48	.0020	.0014
19	.0003	.0003	49	.0022	.0016
20	.0003	.0003	50	.0024	.0017
21	.0003	.0003	51	.0026	.0018
22	.0003	.0003	52	.0028	.0020
23	.0003	.0003	53	.0030	.0022
24	.0003	.0003	54	.0032	.0024
25	.0003	.0003	55	.0034	.0026
26	.0003	.0003	56	.0037	.0028
27	.0003	.0003	57	.0040	.0030
28	.0003	.0003	58	.0044	.0033
29	.0003	.0003	59	.0048	.0036
30	.0003	.0003	60	.0052	.0039
31	.0003	.0003	61	.0056	.0042
32	.0003	.0003	62	.0060	.0045
33	.0003	.0003	63	.0069	.0052
34	.0004	.0003	64	.0078	.0060
35	.0004	.0003	65	.0088	.0068
36	.0005	.0003	66	.0098	.0077
37	.0005	.0004	67	.0108	.0086
38	.0006	.0004	68	.0119	.0096
39	.0007	.0005	69	.0130	.0106
40	.0008	.0006			
41	.0009	.0008			
42	.0010	.0008			
43	.0013	.0009			
44	.0015	.0010			

EXHIBIT B2
ANNUAL RATES OF MORTALITY
ACTIVE NONMANAGEMENT EMPLOYEES

<u>Age</u>	<u>Rates of Mortality</u>		<u>Age</u>	<u>Rates of Mortality</u>	
	<u>Male</u>	<u>Female</u>		<u>Male</u>	<u>Female</u>
15	.0003	.0003	45	.0018	.0013
16	.0003	.0003	46	.0020	.0013
17	.0003	.0003	47	.0022	.0014
18	.0003	.0003	48	.0025	.0014
19	.0003	.0003	49	.0027	.0014
20	.0003	.0003	50	.0029	.0015
21	.0003	.0003	51	.0032	.0015
22	.0003	.0003	52	.0032	.0016
23	.0003	.0003	53	.0033	.0016
24	.0003	.0003	54	.0034	.0017
25	.0004	.0003	55	.0035	.0018
26	.0005	.0003	56	.0038	.0019
27	.0006	.0004	57	.0041	.0020
28	.0007	.0004	58	.0045	.0023
29	.0008	.0004	59	.0048	.0025
30	.0008	.0004	60	.0051	.0027
31	.0009	.0004	61	.0060	.0029
32	.0009	.0004	62	.0068	.0032
33	.0009	.0005	63	.0078	.0040
34	.0009	.0005	64	.0090	.0048
35	.0010	.0005	65	.0100	.0055
36	.0011	.0005	66	.0110	.0067
37	.0011	.0006	67	.0129	.0075
38	.0012	.0006	68	.0140	.0088
39	.0013	.0007	69	.0160	.0100
40	.0013	.0008			
41	.0014	.0009			
42	.0015	.0010			
43	.0016	.0012			
44	.0017	.0013			

EXHIBIT B3
ANNUAL RATES OF MORTALITY
RETIRED MANAGEMENT EMPLOYEES/SPOUSES

<u>Age</u>	<u>Rates of Mortality</u>		<u>Age</u>	<u>Rates of Mortality</u>	
	<u>Male</u>	<u>Female</u>		<u>Male</u>	<u>Female</u>
45	.037274	.024776	78	.057644	.034846
46	.032447	.021302	79	.063769	.038369
47	.028051	.018151	80	.070367	.042367
48	.024081	.015329	81	.077410	.046919
49	.020537	.012835	82	.084854	.052020
50	.017414	.010674	83	.092649	.057644
51	.014708	.008847	84	.100745	.063769
52	.012417	.007351	85	.109094	.070367
53	.010540	.006181	86	.117962	.077410
54	.009077	.005337	87	.127177	.084854
55	.008024	.004814	88	.136869	.092649
56	.007387	.004608	89	.147116	.100745
57	.007182	.004717	90	.157992	.109094
58	.007433	.004940	91	.169303	.117962
59	.007965	.005377	92	.180937	.127177
60	.008700	.005824	93	.192857	.136869
61	.009561	.006287	94	.207009	.147116
62	.010576	.006782	95	.222382	.157992
63	.011771	.007333	96	.236014	.169303
64	.013175	.007965	97	.250756	.180937
65	.014812	.008700	98	.266763	.192857
66	.016700	.009561	99	.284196	.207009
67	.018814	.010576	100	.303226	.222382
68	.021118	.011771	101	.324032	.236014
69	.023576	.013175	102	.346799	.250756
70	.026154	.014812	103	.373447	.266763
71	.028836	.016700	104	.405892	.284196
72	.031702	.018814	105	.446054	.303226
73	.034846	.021118	106	.495848	.324032
74	.038369	.023576	107	.557192	.346799
75	.042367	.026154	108	.632005	.373447
76	.046919	.028836	109	.722204	.405892
77	.052020	.031702	110	1.000000	1.000000

EXHIBIT B4
ANNUAL RATES OF MORTALITY
RETIRED NONMANAGEMENT EMPLOYEES/SPOUSES

<u>Age</u>	<u>Rates of Mortality</u>		<u>Age</u>	<u>Rates of Mortality</u>	
	<u>Male</u>	<u>Female</u>		<u>Male</u>	<u>Female</u>
45	.025847	.019952	78	.063769	.038369
46	.022551	.017201	79	.070367	.042367
47	.019581	.014729	80	.077410	.046919
48	.016937	.012535	81	.084854	.052020
49	.014614	.010624	82	.092649	.057644
50	.012608	.008997	83	.100745	.063769
51	.010917	.007651	84	.109094	.070367
52	.009540	.006581	85	.117962	.077410
53	.008477	.005787	86	.127177	.084854
54	.007724	.005264	87	.136869	.092649
55	.007287	.005008	88	.147116	.100745
56	.007182	.005017	89	.157992	.109094
57	.007433	.004940	90	.169303	.117962
58	.007965	.005377	91	.180937	.127177
59	.008700	.005824	92	.192857	.136869
60	.009561	.006287	93	.207009	.147116
61	.010576	.006782	94	.222382	.157992
62	.011771	.007333	95	.236014	.169303
63	.013175	.007965	96	.250756	.180937
64	.014812	.008700	97	.266763	.192857
65	.016700	.009561	98	.284196	.207009
66	.018814	.010576	99	.303226	.222382
67	.021118	.011771	100	.324032	.236014
68	.023576	.013175	101	.346799	.250756
69	.026154	.014812	102	.373447	.266763
70	.028836	.016700	103	.405892	.284196
71	.031702	.018814	104	.446054	.303226
72	.034846	.021118	105	.495848	.324032
73	.038369	.023576	106	.557192	.346799
74	.042367	.026154	107	.632005	.373447
75	.046919	.028836	108	.722204	.405892
76	.052020	.031702	109	.950000	.446054
77	.057644	.034846	110	1.000000	1.000000